

**A SUBSTITUTE ORDINANCE  
BY FINANCE/EXECUTIVE COMMITTEE**

**AN ORDINANCE AUTHORIZING THE MAYOR OR HER DESIGNEE TO ENTER INTO LEASE AGREEMENTS WITH RUSSELL C. McCALL AND ATLANTA LOFT COMPANY LLC FOR PROPERTY LOCATED AT 236 FORSYTH STREET AND 225 FORSYTH STREET FOR THE PURPOSE OF PROVIDING OFFICE SPACE FOR THE INSPECTION DIVISION OF THE BUREAU OF BUILDINGS AND PARKING FOR CITY VEHICLES USED BY THE INSPECTORS WITH THE LEASE PAYMENTS TO BE APPROPRIATED FROM FUND ACCOUNT AND CENTER 1A01 573001 Y21001, FACILITIES, OFFICE OF THE DIRECTOR, BUREAU OF BUILDINGS; WAIVING SEC. 2-1546 OF THE PROCUREMENT CODE AS TO THESE TWO LEASES; AND FOR OTHER PURPOSES.**

**WHEREAS**, the Bureau of Buildings present office space is insufficient for the current needs and future growth of the Permitting Division and Inspection Division; and

**WHEREAS**, the primary functions and duties of the Inspection Division are performed in the field and those duties and functions require the use of City owned vehicles which can be more efficiently utilized where nearby parking is available; and

**WHEREAS**, the Department of Watershed Management was authorized to lease up to 35,097 square feet of office space on various floors in the Garnett Station Building at 236 Forsyth Street; and

**WHEREAS**, the Department of Watershed Management has found that its needs did not require all 35,097 square feet in the Garnett Station Building, such that certain excess capacity is available for rental by the Bureau of Buildings at a rate that is competitive with the prevailing market rate and is at a rate that is comparable to the rate approved by the City Council for the Department of Watershed Management lease for space in that same building pursuant to Resolution 05-R-0674; and

**WHEREAS**, the Bureau of Buildings has found that Suite 200 on the second floor of the Garnett Station Building will be adequate for its office space needs; and

**WHEREAS**, Russell C. McCall and Atlanta Loft Company LLC have agreed to tender a lease to the Bureau of Buildings for this office space; and

**WHEREAS**, the Inspection Division requires parking for its City owned vehicles used in the efficient performance of its duties and functions; and

**WHEREAS**, Russell C. McCall and Atlanta Loft Company LLC have agreed to tender a lease to the Bureau of Buildings for parking space at 225 Forsyth Street that is in immediate proximity to the Garnett Station Building location; and

**WHEREAS**, the parking lease for 225 Forsyth Street provides convenient parking for City-owned vehicles used by the Inspection Division at terms that are competitive with the prevailing market rate for parking in the area;

**THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS:**

**SECTION 1:** that the Mayor or her designee is authorized to enter into a lease agreement with Russell C. McCall and Atlanta Loft Company LLC for 6,222 square feet of office space in Suite 200 at the Garnett Station Office Building located at 236 Forsyth Street, S.W. for the use of the Bureau of Buildings for an initial term of 32 months with an additional renewal of 36 months to be made available subject to further approval of the City Council.

**SECTION 2:** that the rental rate for the 236 Forsyth Street space shall not exceed \$11.00 per square foot on an annual basis or a monthly rate of \$5,703 with the total rent for the initial period not to exceed \$182,512; said payments to be made from Fund Account and Center 1A01 573001 Y21001 Facilities, Office of the Director, Bureau of Buildings.

**SECTION 3:** that the Mayor or her designee is authorized to enter into a lease agreement with Russell C. McCall and Atlanta Loft Company LLC for property located at 225 Forsyth Street, S.W. for the use of the Bureau of Buildings so long as said property is of sufficient size to provide 45 parking spaces for the use of the Bureau of Buildings for an initial term of 32 months with an additional renewal of 36 months to be made available subject to further approval of the City Council. The term of said lease shall be concurrent with the lease for 236 Forsyth Street.

**SECTION 4:** that the rental rate for 225 Forsyth Street shall not exceed a monthly rate of \$2,250 with the total rent for the initial period not to exceed \$72,000; said payments to be made from Fund Account and Center 1A01 573001 Y21001 Facilities, Office of the Director, Bureau of Buildings.

**SECTION 5:** that for good cause having been shown, the provisions of Sec. 2-1546 of the Code of Ordinances are waived as to these two leases.

**SECTION 6:** that the City Attorney is authorized to negotiate with Russell C. McCall and Atlanta Loft Company LLC on the final terms of appropriate lease agreements for the properties at 236 Forsyth Street and 225 Forsyth Street that are not in conflict with the terms of this ordinance and present them to the Mayor or her designee for execution.

**SECTION 7:** This ordinance shall become effective immediately upon signing by the Mayor or as otherwise provided by the operation of law.

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**WHEREAS**, the Bureau of Buildings present office space is insufficient for the current needs and future growth of the Permitting Division and Inspection Division; and

**WHEREAS**, the primary functions and duties of the Inspection Division are performed in the field and those duties and functions require the use of City owned vehicles which can be more efficiently utilized where nearby parking is available; and

**WHEREAS**, the Department of Watershed Management was authorized to lease up to 35,097 square feet of office space on various floors in the Garnett Station Building at 236 Forsyth Street; and

**WHEREAS**, the Department of Watershed Management has found that its needs did not require all 35,097 square feet in the Garnett Station Building, such that certain excess capacity is available for rental by the Bureau of Buildings at a rate that is competitive with the prevailing market rate; and

**WHEREAS**, the Bureau of Buildings has found that Suite 200 on the second floor of the Garnett Station Building will be adequate for its office space needs; and

**WHEREAS**, Russell C. McCall and Atlanta Loft Company LLC have agreed to tender a lease to the Bureau of Buildings for this office space; and

**WHEREAS**, the Inspection Division requires parking for its City owned vehicles used in the efficient performance of its duties and functions; and

**WHEREAS**, Russell C. McCall and Atlanta Loft Company LLC have agreed to tender a lease to the Bureau of Buildings for parking space at 225 Forsyth Street that is in immediate proximity to the Garnett Station Building location; and

**WHEREAS**, the lease for the Garnett Station Building office space are at terms that are comparable with those recently approved by Resolution 05-R-0674; and

**WHEREAS**, the parking lease for 225 Forsyth Street provides convenient parking for City-owned vehicles used by the Inspection Division at terms that are competitive with the prevailing market rate for parking in the area;

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**SECTION 7:** This ordinance shall become effective immediately upon signing by the Mayor or as otherwise provided by the operation of law.

**Part II: Legislative White Paper:** (This portion of the Legislative Request Form will be shared with City Council members and staff)

**A. To be completed by Legislative Counsel:**

**Committee of Purview:** Finance Executive

**Caption:** AN ORDINANCE AUTHORIZING THE MAYOR OR HER DESIGNEE TO ENTER INTO LEASE AGREEMENTS WITH RUSSELL C. McCALL AND ATLANTA LOFT COMPANY LLC FOR PROPERTY LOCATED AT 236 FORSYTH STREET AND 225 FORSYTH STREET.....

**Council Meeting Date:** Feb.5, 2007

**Requesting Dept.:** Department of Planning and Comm.

**B. To be completed by the department :**

**1. Please provide a summary of the purpose of this legislation (Justification Statement).**

The Bureau of Buildings proposes to lease 6,222 square feet of office space and 50 parking spaces to accommodate the needs of its Inspection Division. However, the Bureau finds it necessary to occupy this space in a time frame that can only be accommodated by a waiver of the terms of Sec. 2-1546 of the Procurement Code. This ordinance authorizes both leases and waives this requirements.

**2. Please provide background information regarding this legislation.**

This lease opportunity came about in a rather unique circumstance. The Department of Watershed Management had authorization to lease up to 35,097 square feet of office space on various floors of the Garnett Station Office Building pursuant to 05-R-0674 and found that not all of this space would be required. The Bureau of Buildings had been in negotiations with the Department of Watershed Management to utilize a portion this space under a sublease that would be funded by a swap for space in the Bureau of Buildings. However, it appears that the sublease and swap will not possible to accomplish within the time frame required by the Bureau's needs. The Bureau therefore proposes to enter into a direct lease with Russell C. McCall and Atlanta Loft Company LLC utilizing the due diligence performed by the Department of Watershed Management under the lease authorized by 05-R-0674. This office space will house the Inspection Division of the Bureau. The Inspection Division requires parking for its City-owned vehicles in close proximity to its facilities in order to increase the efficiency of its

operations. Fortunately, Russell C. McCall and Atlanta Loft Company LLC can provide this parking at a rate of \$45.00 per space per month in a lot at 225 Forsyth Street.

**3. If Applicable/Known:**

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Lease
- (b) **Source Selection:** Waiver of lease provisions of 2-1546 requested. The Bureau of Buildings believes that the due diligence process followed by the Department of Watershed management in the lease authorized by 05-R-0674 is sufficient to satisfy the requirements of Sec. 2-1546 for the 236 Forsyth Street lease of Suite 200. Further, the Bureau of Buildings would require parking in this immediate area and the lease of 50 parking spaces at 225 Forsyth Street is uniquely suited for this need and thus could be included in this ordinance.
- (c) **Bids/Proposals Due:** N/A
- (d) **Invitations Issued:** N/A
- (e) **Number of Bids:** N/A
- (f) **Proposals Received:** N/A
- (g) **Bidders/Proponents:** N/A
- (h) **Term of Contract:** each lease is 32 months running concurrently

**4. Fund Account Center:** 1A01 573001 Y21001.

**5. Source of Funds:** Bureau of Buildings – Facilities and Buildings Account (actual funds transfer from salary savings)

**6. Fiscal Impact:** This legislation will result in the expenditure of \$254,512 that was originally budgeted for personnel expenses in 2006

**7. Method of Cost Recovery:** Revenues generated from inspection fees would be used to offset the costs of these leases.

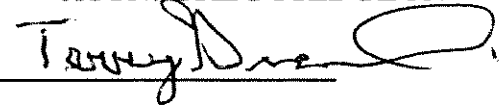
**This Legislative Request Form Was Prepared By:** Lemuel H. Ward

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Legislative Counsel (Signature): Terry Grandison



Contact Number: \_\_\_\_\_

Originating Department: Department of Planning & Community Development

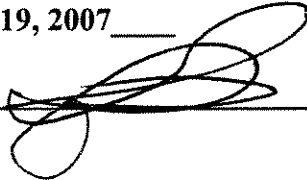
Committee(s) of Purview: Finance and Executive Committee

Council Deadline: January 8, 2007

Committee Meeting Date(s): January 31 & February 14, 2007

Full Council Date: February 19, 2007

Commissioner Signature \_\_\_\_\_



**CAPTION**

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FINANCIAL IMPACT (if any)

Mayor's Staff Only

Received by Mayor's Office: \_\_\_\_\_

1.8.07  
(date)

Reviewed by: \_\_\_\_\_

[Signature]  
(date)

Submitted to Council: \_\_\_\_\_

1/9/07  
(date)